

# Financial Aid News

## WASHINGTON HIGHER EDUCATION COORDINATING BOARD

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- [State Work Study](#)
- [Washington Promise Scholarship](#)
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### Issue 44 — March 15, 2004

#### 2004 legislative wrap up:

- **Lawmakers call it a year**
- **More money for financial aid and enrollments**
- **Lawmakers leave several bills in the legislative recycle bin**
- **Web sites for information about legislation**
- **Dates to remember**

#### Lawmakers call it a year

**Supplemental budgets, higher education measures go to governor for signature**

The state Legislature adjourned on Thursday after completing work on state operating, transportation and building budgets and approving a new state primary election system.

Higher education fared well this session, in spite of a stubbornly sluggish economy and little new money for overall state spending.

Lawmakers approved \$30.7 million in new higher education operating money and another \$114.9 million for higher education capital projects. There's new money to raise general and high-demand enrollments by nearly 3,000 students, increase award amounts for the Promise Scholarship, triple the size of a conditional scholarship and loan forgiveness program for health professionals, and allow State Need Grant awards to keep pace with 7 percent tuition increases and serve more students.

The following are some of the other bills related to higher education that were passed this session:

- **Future teachers.** House Bill 2708 redesigns an existing conditional scholarship program for prospective teachers and adds a loan repayment component to the program.
- **Higher Education Coordinating Board.** House Bill 3103 revises the statute authorizing the Higher Education Coordinating Board, clarifies the agency's purpose, revises its policy functions, and establishes an advisory committee to the board.
- **Transfer.** House Bill 2382 charges the board with bringing improvements to articulation and transfer between colleges.
- **Branch campuses.** House Bill 2707 reaffirms the primary mission of branch campuses, but recognizes that regional needs may call for flexibility from the state. The bill permits branch campuses to propose legislation authorizing the branches to offer professional and practice-oriented doctoral programs. It also calls for each branch to make recommendations, by November, for its future evolution, mission, and educational approach.
- **Matters affecting military personnel.** Senate Bill 6302 provides financial and academic protections for members of military reserve units who are called to active duty while enrolled in college. The bill allows these students to obtain refunds without penalties, as well as opportunities to complete courses with excused absences or at a later time. Refunds are subject to state and federal financial aid requirements. Senate Bill 6104 allows dependents and spouses of military personnel in some circumstances to maintain state residency status for determining tuition.

"This has been a good session for higher education," said James Sulton, Jr., executive director of the Higher Education Coordinating Board. "State lawmakers clearly meant it when they said higher education was a priority for them in 2004."

Sulton said legislators took significant steps to address some of the problems that resulted from last year's budget cuts to higher education. "The operating and capital budgets are quite positive for a supplemental year, especially in this economic climate. The Legislature's actions to increase enrollments, provide flexibility for branch campuses to evolve, improve the transfer process, increase financial aid, and strengthen higher education collaboration will increase opportunities for students for years to come."

The table on the next page provides descriptions of the financial aid and other bills related to higher education that passed this year. Gov. Locke has about three weeks to take action on bills presented to him in the final days of the session.

## Financial aid and select higher education bills passed by the Legislature

### Financial aid programs for teacher education

- HB 2708** Redesigns an existing conditional scholarship program for prospective teachers pursuing certificates in mathematics, science, technology, special education, or bilingual education; consolidates the administration of four existing programs; allows awards from appropriations, donations, and repayments to any of the four existing programs; includes a loan repayment program for prospective teachers identified prior to graduation
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### Matters affecting military personnel

- SB 6164** Allows dependents and spouses of military personnel to maintain residency status when the service person is transferred out of state; student must be "continuously enrolled in a degree program"
- SB 6302** Makes provisions for members of the National Guard and other military reserve units who are called to active duty while enrolled in college; allows such students the options of a refund without penalty, completing the course with excused absences, or taking an incomplete with the opportunity to finish later; also provides for refund of room and board and other fees for the period of service; refunds are subject to state and federal financial aid requirements
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### Concerning the Higher Education Coordinating Board

- HB 3103** Revises the statute authorizing the HECB; clarifies focus, purpose of agency; revises policy functions; restructures financial aid statutes; establishes an advisory committee to the board that includes the Superintendent of Public Instruction, executive directors of other state education agencies, chair of the Council of Presidents, and representatives from two-year and four-year faculty
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### Transfer and articulation

- HB 2382** Requires the HECB to convene work groups to develop transfer associate degrees that meet lower division prerequisites or competencies for specific majors at public four-year colleges, develop a system of course equivalencies at all public colleges, and study transfer student demand for enrollment at public four-year colleges, existing capacity, and ways to expand capacity; requires public four-year colleges to treat students from community colleges the same as students from four-year colleges in their policies regarding transfer of lower-division credit
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### Branch campuses and new higher education institutions

- HB 2707** Reaffirms the mission of branch campuses; requires the HECB to adopt rules to ensure collaborative partnerships between branches and community colleges; specifies that branches are responsible for upper-division and master's-level graduate education; permits branches to propose to the Legislature doctoral study programs in the professions and practice-oriented fields; declares that WSU Spokane is not a branch
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### Supplemental operating appropriations

- HB 2459** Makes additional operating appropriations for FY 2005, including new money for 3,000 new enrollments and the SNG, Promise Scholarship, the Health Professionals Loan Repayment and Scholarship programs
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## More money for financial aid and enrollments

The supplemental operating budget approved by the Legislature last week provides an additional \$10.9 million for financial aid and boosts enrollments at state colleges by almost 3,000 FTEs. The budget makes changes to FY 2005 funding approved last year in the 2003-05 biennial budget.

Under the spending bill sent to Gov. Locke, the State Need Grant program would receive an additional \$4.5 million. The new money would allow awards to keep pace with a planned 7 percent tuition increase, offset an increase in high-demand enrollments, and provide awards to some currently unserved eligible students.

The Health Professionals Loan Repayment and Scholarship program is slated for an additional \$2 million, tripling the size of the program. The Promise Scholarship program would receive an additional \$2.3 million to increase awards to an estimated 51 percent of tuition at community colleges, up from 43 percent in 2003-04.

"We are pleased with the provisions for financial aid," said Becki Collins, director of education services at the board. "Lawmakers have maintained their commitment to the state's neediest students by keeping Need Grant awards in line with tuition increases and serving more eligible students."

Collins said the growth provided for the Health Professionals Scholarship and Loan Repayment program would address a critical demand for healthcare workers across the state. "This is a program with a track record of placing more healthcare providers in underserved geographic areas and in healthcare fields where the state has shortages."

Collins also called the increase in Promise Scholarship funding an "important step" in restoring the purchasing power of the award.

Lawmakers approved over \$17 million to raise enrollments by 3,000 FTEs at state colleges. \$10.4 million will fund 2,100 new general enrollments at public two- and four-year colleges.

The remaining \$7.2 million will go for new enrollments in high-demand fields. The State Board for Community and Technical Colleges will receive half of that to distribute 534 FTEs for high-demand enrollments at the state's two-year colleges. The Higher Education Coordinating Board will distribute the other half to public and private four-year colleges. The budget bill allows private four-year colleges to bid directly for state-funded high-demand enrollments for the first time.

The operating budget also includes \$100,000 for the Higher Education Coordinating Board to evaluate future enrollment needs and develop new funding models for the state.

Without adding additional money, the budget bill directs the UW and WSU to present plans to phase in lower-division courses at their respective branch campuses in Bothell and Vancouver. The two branches were subjects of failed earlier bills that would have moved both of them toward offering lower-division courses, and in the case of Bothell, would have turned the branch into a four-year regional university independent of the UW.

The governor has authority to veto the entire supplemental operating budget bill or portions of it. He is expected to take action on the bill by April 1.

### **Financial aid and select higher education provisions of the supplemental budget passed by the Legislature**

Funds are in addition to FY 2005 funds approved in the 2003-05 biennial budget last year.

<b>SNG</b>	Provides additional \$4.5 million; intended to raise grant amounts by 7 percent and serve about 35 percent of currently unserved students; provides funds to offset new enrollments in high-demand fields
<b>Promise Scholarship</b>	Provides additional \$2.3 million; raises award to an estimated 51 percent of tuition at a community college (up from 43 percent in FY 2004); eligibility threshold for 2004 high school graduates is reduced to 120 percent of the median family income (down from 135 percent for the class of 2003 and prior graduating classes)
<b>Washington Center Scholarship</b>	Provides \$60,000 for a new scholarship for internships in Washington, D.C.
<b>Health Professionals Loan Repayment and Scholarship</b>	Provides additional \$2 million to triple the size of the program
<b>SWS, EOG, Washington Scholars, WAVE</b>	No change from original biennial budget
<b>Tuition</b>	No change to 7 percent increase approved last year
<b>General enrollments</b>	Provides an additional \$10.4 million for 2,100 FTEs; \$5.6 million to community and technical colleges for 1,223 FTEs; \$4.8 million to four-years for 877 FTEs
<b>High-demand enrollments</b>	Provides an additional \$7.2 million for 858 FTEs; \$3.6 million to community and technical colleges for 534 FTEs; \$3.6 million to public and private four-years for 324 FTEs, to be managed by HECB
<b>Enrollment study</b>	Provides \$100,000 to HECB for modeling and evaluation of various higher education enrollment and funding scenarios; charges governor to develop a template for a research university performance contract
<b>Branch campuses</b>	Directs UW and WSU to present plans for offering lower-division courses at branch campuses in Bothell and Vancouver; plans are due Dec. 15, 2004

## Lawmakers leave several bills in the legislative recycle bin

And now, here's a list of the "also-rans" — higher education and financial aid bills that lawmakers introduced in 2004, but that failed to muster the support needed to make it to the governor's desk.

- **Financial aid carry forward.** House Bill 1123 would have preserved unspent financial aid funds at the end of the fiscal year for needy students in the following year. The bill was one of several that had been passed by the House but died in the Senate when the Senate leadership adjourned early on March 5 to avoid a floor debate on a gay rights initiative.
- **Promise Scholarship.** Senate Bill 6165 would have allowed the board to establish rules for eligible students with disabilities to receive the Promise Scholarship at Oregon and Idaho colleges in counties bordering Washington. The bill was passed by the Senate, but did not progress to a vote in the House.
- **Veterans provisions.** House Bill 2089 would have consolidated existing veterans tuition waiver statutes into one chapter of state law, clarified the definition of a veteran, and extended permission for benefits to go to survivors of veterans who are prisoners of war or disabled, missing, or killed in action. The House passed the bill; the Senate did not take it up for a vote.
- **Higher Education Coordinating Board.** Neither chamber approved a concurrent resolution to adopt or recommend changes or additions to the board's 2004 Strategic Master Plan for Higher Education. And Senate Bill 6129, which would have established an advisory committee to the board, also did not pass, but had many of its provisions incorporated into House Bill 3103, the bill that revises the board's authorizing statute.
- **Branch Campuses.** Two bills concerning branch campuses failed. One would have created a new four-year public university at the UW Bothell campus. Another called for a study of the feasibility of offering more four-year and graduate study opportunities around Vancouver, including the potential creation of a new regional university. The supplemental operating budget directs the UW and WSU to develop plans for offering lower-division courses at their Bothell and Vancouver campuses.
- **Performance Contracts.** Bills that would have created performance contracts on a pilot bases between the state and public institutions did not pass out of either chamber. The contracts would have potentially given public colleges more flexibility in meeting state mandates and requirements. The issue is not completely dead. The budget allows the governor to develop a template of a performance contract for a research university.



## Web sites for information about legislation

Full text of bills and supporting materials:	<a href="http://www.leg.wa.gov/wsladm/bills.cfm">www.leg.wa.gov/wsladm/bills.cfm</a>
Archived Web broadcasts of all hearings:	<a href="http://www.tvw.org">www.tvw.org</a>
HECB legislative session site:	<a href="http://www.hecb.wa.gov/Leg/index.asp">www.hecb.wa.gov/Leg/index.asp</a>
State Board for Community and Technical Colleges <i>Legislative News</i> :	<a href="http://www.sbctc.ctc.edu/Legislative/CurrentLegSession.asp">www.sbctc.ctc.edu/Legislative/CurrentLegSession.asp</a>

## Dates to remember

### Annual state student financial aid workshop

**May 10 — Yakima Valley Community College, Yakima**

**May 11 — Gonzaga University, Spokane**

**May 13 — North Seattle Community College**

**May 14 — Centralia College**

The one-day workshop, offered at four locations, will provide training and 2004-05 updates on the State Need Grant, State Work Study, Educational Opportunity Grant and smaller aid programs. It will also include an overview of HECB activities and technology enhancements.

There is no registration. An agenda, meeting room locations, and parking information will be sent to aid administrators in April. If you have questions, contact Colleen Scovill at [colleens@hecb.wa.gov](mailto:colleens@hecb.wa.gov) or (360) 753-7850.